

THE CHOSEN DETERMINANTS OF E-ENTREPRENEURSHIP DEVELOPMENT

Dorota JELONEK

Czestochowa University of Technology, Faculty of Management, Czestochowa, Poland

E-mail: jelonek@zim.pcz.pl

Summary: Changes in the external environment are a strong antecedent of entrepreneurship. Emergence of the Internet was one of the most important changes in the business environment, which has extended from the traditional market to market space on the Internet. These changes initiated change from entrepreneurship model to the model of e-entrepreneurship. e-Entrepreneurship is defined as a subcategory of entrepreneurship, targeted at the digitization (virtualization) of some or all of the business activities and processes, which in a traditional organizations were implemented by physical means.

e-Entrepreneurship is characterized by active search for change and quick respond to them, seizing opportunities and ways to implement innovations and new technologies including internet technologies, that change business models towards e-business models.

Enterprises which cooperate with a customer and create permanent relations with client acquire in such a way valuable source of inspirations for its future e-entrepreneurship behaviors. Customers can be helpful in searching for opportunities, in the perception of market changes, in creation of ideas and innovations.

This consideration positively verified the hypotheses: the management of relations with customers including management of communication with a client process and the process of innovations' co-creation with a customer are crucial determinants of e-entrepreneurship behaviors development of enterprises.

Keywords: e-entrepreneurship, innovation, customer cooperation

1. Introduction

There is a variety of roles for the Internet in the e-entrepreneurship development. The Internet provided unique capability, such as to collect data, to keep contact with customers, create new relationship, to manage customer relationship and to seek customer –innovators. e-Entrepreneurship and e-business idea based on Internet functionality, often with novel and innovative business concepts, and could not exist without this functionality.

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Previous research on understanding entrepreneurship has been influenced by two schools of thought: personality traits, and the need to achieve; and contingency thinking, influenced by the environment and situation (Littunen, 2000). The meaning of predispositions and personal features of entrepreneurship for the development success of new ventures was indicated in (Robbins and Pearce, 1993), (Littunen, 2000).

The other authors say the structure of the industry and the nature of the venture strategy, which includes the revenue model and the use of technology, is of equal importance to the success of new ventures (Gartner et al., 1999).

Factors conditioning the development of the entrepreneurship can be assigned to two groups: socio-economic factors and personal factors. Socio-economic factors include the economic conditionings, legal, cultural and the external environment. Personal factors include demographic conditions and personality predispositions and features of entrepreneur.

Identifying factors influencing development of e-entrepreneurship the above list should be necessarily complemented with technological factors, especially the utilization of internet technologies and factors connected with the creativity and innovativeness of employees and external subjects e.g. customers.

Organizations need to learn how to develop e-entrepreneurial competences, how to make innovations and how to transform into flexible and dynamic organizations. With entrepreneurial orientation, companies have better opportunities to boost their business activities through introduction new products, entering into new markets, implementing new business processes and system transformations (Bratnicki, 2008).

E-enterprising organization is characterized by:

- the democratic and participatory style of organization's management,
- decentralized organizational structure,
- the utilization in the greatest degree of possibilities offered by internet technologies ,
- the efficient communication system inside the organization (intranet solutions),
- the efficient system of communication with the environment (the Internet),
- virtualization of business processes,
- implementation of new e-business models,
- the management of information,
- the customer relationship management,
- the aspiration to the creation of the enterprising culture,
- the aspiration to the creation of organizational climate accepting changes,
- the openness on the creativity of employees and proposed by them ideas of innovation.

Entrepreneurship is primarily based on technological innovations which improve communication and accelerate exchange of information. For this reason, every entrepreneur should think how to innovate their business model and face the challenges of entry into the digital world.

2. Innovations co-created with a customer

The effective creation and implementation of innovations in the organization is a subject of numerous theoretical considerations and empirical research (Drucker, 2006), (Pachura, 2012), (Skowron- Grabowska, 2013).

Innovations with the customer are created within the framework of the model of open innovations (Jelonek, 2012), (Boudreau and Lakhani, 2009). An idea of open innovations is the usage of inflows and outflows of knowledge for the purpose of the acceleration of internal innovative process and the enlargement of the external market for the utilization of this innovation (Chesbrough, 2003). The concept of the engagement of customers into the process of innovation creation gains more and more supporters also in practice. We observe changes in the interaction between the customer and the enterprise in the communication and in co-creation of innovation. The Internet facilitates consumers taking the role of co-creators of product, marketing, organizational and process innovations.

An important factor supporting development of enterprising behaviours is the organizational culture which accepts and favours to enterprising behaviours. Hooijberg and Petrock (1993) call this type of organizational culture as entrepreneurial culture. According to Sun and Xu entrepreneurial culture is characterized with high levels of risk taking, dynamism, and creativity (Sun and Xu, 2012). One apparent attribute of this culture is that it creates change, rather than just quickly react to changes in the environment. Effectiveness under this culture means providing new and unique products and rapid growth.

In the context of development of cooperation with the customer entrepreneurial culture should create its own kind of the frame, designs and norms of conducts with customers from which

information were received and concerning e.g. the opinion about products, services or processes of customer service or proposals of innovative solutions, or indication of the gaps in the market offer.

3. Process innovations co-created with a customer

Process innovations concern introduction of changes in applied by the organization methods of production, and also in the ways of reaching with a product to recipients. In the greater scope process innovations concern changes in all business processes realized in the enterprise. In case of e-enterprising processes changes most often concern virtualization of these processes, that is processes as a whole, embracing all activities and assignments or which are partially realized with the use of internet technologies. Process innovations raise efficiencies of processes and finally make for increase of profits or achievement of competitive advantage and outdistancing of competitors. Process innovations in the organization may concern:

- Virtualization of ordering process
- Virtualization of payment process (mobile payments)
- Virtualization of communication with customers process – communication innovations
- Virtualization of communication with suppliers process
- Virtualization of marketing activities (e-marketing)
- Existence or increase of company's activity in social media

Every information received from the customer can be important, and even if this received information is not crucial, then maybe the next one from this customer will be an idea which will revolutionize current business activity of the enterprise. However in order to happen it in such a way the customer must receive the feedback information at the first attempt and must know that the company does not disregard his or her opinion. The rule should be constituted by the frankness of the employees and the company related to the relations with a customer and treatment of him/her not only as a purchaser but the partner in creating of innovative ideas in business processes, especially concerning process virtualization and development of e-business models.

4. Research method

The study was carried out in January – February 2015. The study involved five companies from food processing industry (2 – fruit and vegetable processing, 1 – dairy processing, 2 – meat processing). They were all medium sized companies, that employ up to 250 employees. A method of a guided interview was used in the survey. Scenario of the interviews with manager of each company was the same. The interviews were carried out with the managers of the strategic level and with the managers in the divisions of sales, marketing, production and production technologies. There were between 7-11 respondents, depending on the company. This made 47 respondents in total.

The aim of this study is to verify the following hypotheses:

H1: The management of relations with customers including management of communication with a client process and the process of innovations' co-creation with a customer are crucial determinants of e-entrepreneurship behaviours development of enterprises.

H2: Cooperation with customers is a crucial determinant of business processes virtualization and significantly and positively influences on the market performance of the enterprise.

5. Data analysis

All the managers interviewed agreed that the enterprises cooperate with customers very well, care for relations with customers and appreciate their role as innovators.

The assessment concerned implementation and cooperation with customers in the field of e-entrepreneurial processes. Scale: 1 - unimportant, 2 - insignificant importance, 3 - moderately important, 4 - important, 5 - very important.

Respondents' answers to questions about e-entrepreneurial process implemented in companies are presented in Table 1. The average values for obtained answers are presented in last column in Table 1.

Table 1. Identification of realized e-entrepreneurial processes and cooperation with customers

e-Entrepreneurial process	Was the process implemented ?		Was it implemented in cooperation with customers?		The impact of cooperation with customers on the market performance
	Yes	No	Yes	No	
Virtualization of ordering process	15%	85%	15%	85%	3,9
Virtualization of payment process (mobile payments)	15%	85%	21%	79%	3,4
Virtualization of communication with customers process – communication innovations	77%	23%	34%	66%	3,9
Virtualization of communication with suppliers process	38%	62%	4%	96%	1,4
Virtualization of marketing activities (e-marketing)	100%	0%	79%	21%	4,8
Existence or increase of company's activity in social media	96%	4%	96%	4%	4,8

Source: The own study based on the result of research

The customers are mostly engaged in process existence or increase of company's activity in social media. 96% respondents confirmed that this process was realized in the enterprise and all of them equally high evaluated the participation of customers both on the stage of initiation as and the realization of process. Virtualization of marketing activities (e-marketing) process was realized in all enterprises (100% positive answers), and the commitment of customers was confirmed by 79% of respondents.

Respondents at most (4,8) evaluated the impact of cooperation with customers on the market performance in virtualization of processes: virtualization of marketing activities (e-marketing) and existence or increase of company's activity in social media.

Cooperation with a customer has the lowest influence (4% positive answers) on virtualization of communication with suppliers process. Also the impact of cooperation with customers on the market performance in case of this process was evaluated as lowest (1,4).

In response to suggestions and ideas of customers the process of virtualization of communication with customers was also realized, including communication for the purpose of co-creating of innovation. 34% of answers confirmed the commitment of the customer in virtualization of these processes.

6. Conclusion

The data analysis of gained from respondents data allowed to positively verify the hypothesis that the cooperation with customers is essential determinant of virtualization of business

processes and indeed, positively and significantly influences on market performance of enterprise. Taking cooperation with the customer should be treated as taking into account a new process which will be realized like other business processes. On the efficiency of this process an influence have the efficient customer relationship management, especially relations with customers who want to submit the organization their own opinions, comments and ideas on innovations.

The commitment of the organization into the cooperation with customers demands the incurrance of sometimes large financial outlays, outlays of the time and other resources of the organization. Organizing the process of cooperation with customers one ought to keep a balance among outlays and prospective profits from implemented innovations.

Moreover, positively was verified the hypothesis: the management of relations with customers including management of communication with a client process and the process of innovations' co-creation with a customer are crucial determinants of e-entrepreneurship behaviours development of enterprises.

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